

April 12, 2005
REQUEST FOR PROPOSALS
RENEWABLE ENERGY CERTIFICATES

Issued by:
World Resources Institute
on behalf its "Green Power Affiliate" partner
WHOLE FOODS MARKET

OVERVIEW

The World Resources Institute's (WRI's) new "Green Power Affiliate"¹ partner, Whole Foods Market, has expressed interest in purchasing **wind-based** renewable energy to meet or match 100% of the annual electricity consumption needs of its U.S. facilities. Whole Foods would like to satisfy its renewable requirements through either renewable energy certificates (RECs), green power, or a combination of green power and RECs.

The company seeks *creative* proposals that make the offers *cost-neutral* or as close to cost-competitive as possible. Respondents can offer low-cost green power alone, RECs alone, or a combination of RECs and cost-saving green power. Respondents can offer novel renewable energy products that provide unique business benefits such as the hedge value of a "green contract for differences". Note that public relations benefits will not be an influential or deciding factor for Whole Foods. Furthermore, respondents can propose innovative packages such as vendor outreach to Whole Foods customers/suppliers, etc. *The total package cost is critical, so creative ideas for driving down costs are encouraged.*

Whole Foods would be a very high-profile customer for a renewable energy provider. The company's U.S. operations include 158 stores, 12 distribution facilities, 16 corporate offices, and 17 production sites. With facilities in 33 states, Whole Foods has a nationally recognized brand name and interfaces with millions of dedicated consumers and suppliers annually.

The purpose of this request for proposals (RFP) is to receive product offers (including pricing) from a number of prospective renewable energy suppliers for Whole Foods as well as for members of the Green Power Market Development Group. Responses to this RFP will be due via e-mail by 5:00 Eastern, May 10, 2005. The following pages provide further details on Whole Foods' request and on the RFP parameters.

¹ Through its "Green Power Affiliate" program, WRI works with a few selected companies that are not members of its Green Power Market Development Group (www.thegreenpowergroup.org) to learn about, identify, and pursue renewable energy opportunities.



RESPONSE CRITERIA

TYPE OF PRODUCT: Green power, renewable energy certificates (RECs), or a combination of both are all eligible. For the relevant parameters listed below, please specify the type of product being offered (e.g., 300,000 MWh/year of wind RECs and 200,000 MWh/year of wind-generated green power). If submitting a quote for green power, please specify the service territories in which the product would be available. In addition, please send an outline of the customer electricity consumption information you require and the associated information release forms. These can be sent to chanson@wri.org prior to submission of your final proposal.

QUANTITY: Please provide pricing for green power and/or RECs in the following volumes (or for as much of this as you can supply):

- 100,000 MWh / year
- 250,000 MWh / year
- 500,000 MWh / year

ELIGIBLE RENEWABLE RESOURCES: Please provide a quote(s) for **100% wind-generated** green power and/or RECs. Respondents can supplement their proposals with additional quotes for green power and/or REC packages that are at least 50% wind-generated. Please specify the remaining resource(s).

VINTAGE: The green power and/or RECs should be generated either in the calendar year in which they are delivered to Whole Foods or meet the Green-e® certification standard for eligible vintages. If supply might deviate from this criterion, please explain.

TERM: Please provide quotes for contract periods of 2, 3, and 5 years.

PRICING: Please provide prices in U.S. dollars (inclusive all applicable taxes, charges and service fees) on a levelized basis for the proposed contract terms. Please indicate any additional volume discounts that are available. *Preference will be given to green power and/or RECs that are the most cost-competitive.*

LOCATION OF GREEN POWER OR REC SOURCE: Only renewable resources located within the United States will be considered. In addition, Whole Foods intends that its purchase will support a small number of specific, identifiable renewable energy facilities. Therefore, *preference will be given to green power and/or RECs that come from one to four large renewable energy facilities (i.e., wind farms).* Please specify the location of renewable power generation (e.g., state and NERC powerpool) for each quote provided.

In line with its business model and corporate values, Whole Foods also seeks to encourage the development of wind and other renewable energy facilities on organic farms and rangelands. Therefore, *special consideration will be given to green power and/or RECs that come from facilities on certified organic acreage.*



DELIVERY: Respondents should be able to start delivery of the green power and/or RECs sometime between July 1, 2005 and January 1, 2006. Please indicate the likely delivery start date.

THIRD PARTY CERTIFICATION: *Preference will be given to green power and/or RECs that are Green-e® certified (or certifiable).* The cost of certification should be borne by the respondent. If the green power or RECs are not Green-e® certified (or certifiable), please state in writing the reason why and indicate how the buyer will be assured that the RECs are not being “double-sold”.

NEW RENEWABLE GENERATION: All of the green power and/or RECs should come from new renewable power generation units. At a minimum, the facility should be “new” as defined by the Green-e® certification standard for the state in which the facility is located. *Preference will be given to green power and/or RECs from facilities that began operation in 2005 or 2004.*

RPS “DOUBLE COUNTING”: Green power and/or RECs utilized to meet a state renewable portfolio standard (RPS) are *not* eligible. Please indicate in writing that the green power and/or RECs being offered have *not* been used to meet a state RPS.

COMPANY QUALIFICATIONS & EXPERIENCE: Respondents should provide information regarding qualifications and experiences. If a respondent is a consortium of two or more companies, separate descriptions for each entity should be included as well as a description of the relationship between the entities for the purpose of this response

FINANCIAL STATUS (OPTIONAL): Responses could include the following financial information for each party involved with the response: (1) Current annual report for each entity (if an annual report is not available, then a listing of assets, liabilities and cash flow would be sufficient); (2) Most recent profit & loss statement for each entity; (3) DUNS #; and (4) S&P, Moody’s and/or Fitch Debt rating.

CONTRACT TERMS AND CONDITIONS: Please provide information regarding billing and payment terms (including options for frequency), delivery and title transfer, and performance guarantees/penalties for non-delivery.

MARKETING ASSISTANCE: Please describe any assistance you would provide in communicating or publicizing a purchase by Whole Foods.

FERC RULING ATTESTATION: 105 FERC P. 61,004 states that RECs generated by a Qualifying Facility under a PURPA contract accrue to the generator unless conveyed to the purchasing utility under the authority of state law. Please indicate in writing that any RECs offered from a Qualifying Facility legally can be transferred to the buyer and do not have a competing claim on their ownership.

OTHER INFORMATION: Please submit any additional information that may be helpful in evaluating the response.



GENERAL CONDITIONS

RESPONSE FORMAT: To the extent applicable, please submit responses including information in the following format. Prices should be specified in \$/MWh.

Illustrative

Green power or REC product	Resources* and % mix	Location of generation	Yr facility began operation	Volume** (MWh/yr)	Price (\$/MWh)		
					2 yr	3 yr	5 yr
Green power	Wind (100%)	TX (ERCOT)	2005	100,000	\$x.xx	\$y.yy	\$z.zz
RECs	Wind (100%)	ND (MAPP)	2005	250,000	\$x.xx	\$y.yy	\$z.zz

* If product includes renewable resources other than wind, please specify. For RECs from biomass plants, please specify the type of feedstock (e.g., mill residues, urban waste wood, bagasse). For RECs from low-impact hydropower facilities, please specify whether or not the source has been certified by the Low Impact Hydro Institute.

** Please complete a separate line for each of the requested volumes.

EVALUATION PROCESS: Whole Foods will evaluate all responses based upon the criteria detailed in the preceding section. Upon completion of the review, WRI and/or Whole Foods will contact those respondents whose responses most closely meet the requirements of this RFP.

CONFIDENTIALITY: Unless required by law, court mandate or government agency having the appropriate jurisdiction, any information marked "Confidential" will not be disclosed to parties other than WRI, Whole Foods Market, and WRI's Green Power Market Development Group. Please indicate if you do not want the content of your proposals shared with members of the Green Power Market Development Group.

INQUIRIES: For inquiries concerning this RFP, please contact Craig Hanson, Senior Associate, Sustainable Enterprise Program, World Resources Institute, e-mail: chanson@wri.org, tel: 202-729-7624.

RESPONSE SUBMISSION: Please submit responses electronically by 5:00 p.m. Eastern, May 10, 2005 to Craig Hanson at chanson@wri.org. Include in the subject heading "2005 wind RFP."

DISCLAIMER: THIS REQUEST FOR QUOTES DOES NOT BIND IN ANY WAY AND DOES NOT REPRESENT A CONTRACTUAL COMMITMENT ON THE PART OF WRI, WHOLE FOODS MARKET, OR ANY OTHER COMPANY.

